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Richard G. Egan

NEW HAMPSHIRE LAW LIBRARY

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CONCORD, N.H.

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Nov. 16

Mr. W. S. Phillips,
State Commissioner,
Boston

Dear Mr. Phillips:

With reference to your inquiry
concerning relative to whether or not conditional sales
contracts are exempt under our small loans law, c. 319, R.L.,
please be advised that your jurisdiction under the small
loans statute is not broad enough to cover the normal ac-
tivities of automobile finance companies and similar con-
cerns. The regulation of small loans does not include
the regulation of consumer credit, where the consumer pur-
chases personal property under a credit installment or
finance plan.

This should not be construed as
authorizing the small loan to be made under the guise of
a conditional sales contract, however.

Of course, there is nothing to
prevent a finance company from setting up a small loans
division within its organization, and to the extent they
do loan money in sums of \$500 or less, they are under
your control and jurisdiction.

Very truly yours,

George F. Nelson
Assistant Attorney General

END:GP